



State of Illinois

# ENVIRONMENTAL PROTECTION AGENCY

Mary A. Gade, Director  
217-782-6761

2200 Churchill Road, Springfield, IL 62794-9276

January 28, 1994

Valdus Adamkus, Regional Administrator  
U.S. EPA  
77 West Jackson Blvd.  
Chicago, IL 60604-3590

Dear Mr. Adamkus:

This letter is in response to your request for IEPA to authorize a third amendment to the state Superfund Contract (SSC) for the NL Industries Taracorp Site in Granite City.

This third amendment to the SSC will bring the total cost of this project to \$19,000,000. In turn this would increase our match obligation by 1,000,000. The State of Illinois is simply not in a position of being able to apply \$1,000,000 as a match for continuation of this project, particularly since the project is now being proposed at a level that is more than 6 times the amount of the original SSC, with no end in sight as to what the ultimate remediation costs will be.

We understand that Illinois has some match credits available which could be applied to this project; however, even our match credits would be almost totally depleted were we to agree to this approach. We do not think it is prudent for the State of Illinois to use all its match credits on this one project given the other fund lead projects anticipated for the future. We must also note, however, that Illinois has had a credit request pending with Region V since Aug. 20, 1993, which, if allowed, would provide an additional \$2.3 million in match credits to be applied at fund lead projects such as the NL Industrial Taracorp site. If this request is allowed, then Illinois would be in a financial position where we could more positively consider entering the third amendment to the SSC for this site.

I hope you can appreciate the difficult fiscal situation that IEPA is in. Our inability to sign this SSC will not prevent us from giving U.S. EPA technical assistance whenever needed, to the extent resources allow.

Sincerely,

Mary A. Gade  
Director

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EPA Region 6 Records Ctr.



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